At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Tuesday, August 16, 2005, the following members were present:

Greg Jergeson, Chairman Doug Mood, Commissioner Robert H. Raney, Commissioner

Commissioners Brad Molnar and Thomas J. Schneider were not present. Commissioner Molnar left his proxy with Commissioner Mood. Commissioner Schneider left his proxy with Commissioner Jergeson.

APPEARANCE Scott Fabel Utility Division

(315) In the matter of AT&T Communications July 21, 2005 filed Tariff Transmittal 2005-10 in Docket No. N2005.7.112:

Commissioner Mood moved to approve AT&T's Tariff Transmittal 2005-10 in Docket No. N2005.7.112. Commissioner Raney seconded the motion, which passed unanimously.

(316) In the matter of Qwest Communications July 21, 2005 filed Tariff Transmittal 05-PLT01 in Docket No. N2005.7.113:

Commissioner Raney moved to approve Qwest's Tariff Transmittal 2005-10 in Docket No. N2005.7.112. Commissioner Mood seconded the motion, which passed unanimously.

(317) In the matter of Citizens Telecommunications Company of Montana July 29, 2005 filed advice letter MT-05-03, Business Connections new service- Docket No. N2005.7.114:

Commissioner Mood moved to approve Citizens Telecommunications Company's advice letter MT-05-03 in Docket No. N2005.7.114. Commissioner Raney seconded the motion, which passed unanimously.

APPEARANCE

Wayne Budt, Administrator Transportation & Centralized Services Division

(318) In the matter of TN2269- Charles Kelly dba Frank's Service, Kalispell Montana request for permission to continue the lease of PSC No. 2636 to Frank's Service, Inc., Kalispell, MT for a one year period, August 28, 2005 to August 28, 2006:

Commissioner Raney moved to approve the continuation of the lease of PSC No. 2636 to Frank's Service, Inc., Kalispell, MT for a one year period, August 28, 2005 to August 28, 2006 as requested. Commissioner Mood seconded the motion, which passed unanimously.

(319) In the matter of TN2270- Charles Kelly dba Kelly's Haulaway, Kalispell, Montana request for permission to continue the lease of PSC No. 8976 to Kelly's Haul Away, Inc., Kalispell, Montana for a one year period August 28, 2005 to August 28, 2006:

Commissioner Raney moved to approve the continuation of the lease of PSC No. 8976 to Kelly's Haul Away, Inc., Kalispell, Montana for a one year period August 28, 2005 to August 28, 2006 as requested. Commissioner Mood seconded the motion, which passed unanimously.

(320) In the matter of the approval of Commission Minutes:

Commissioner Mood moved to approve the Commission Minutes for the week of August 8, 2005. Commissioner Raney seconded the motion, which passed unanimously.

APPEARANCE Al Brogan Legal Division

(321) In the matter of the Commission's discussion of City of Great Falls, dba Electric City Power application for License to supply electricity- Docket No. N2004.9.150:

Commissioner Raney moved that we recognize the previous commission intended the City of Great Falls be authorized to handle commercial and industrial customers with loads of 300 KW or more. Commissioner Raney withdrew his motion.

Commissioner Raney moved that the Public Service Commission clarify that the current license held by the City of Great Falls authorizes the city to serve commercial and industrial customers with loads of 300 KW or more. Commissioner Mood seconded the motion, which passed unanimously.

APPEARANCE Martin Jacobson Legal Division

(322) In the matter of the Commission's discussion of Public Service Commission gas and electric USB:

Commissioner Raney moved that staff commence to open dockets sequentially for the USB

program review of all Montana gas and electric utilities in order of MDU, Energy West and Cut Bank Gas following NorthWestern Energy USB review. Commissioner Mood seconded the motion, which passed unanimously.

(323) In the matter of the Commission's discussion of NorthWestern Energy gas and electric USB- Dockets No. D2004.7.99, D2004.12.192, and D2005.6.106:

Commissioner Mood moved to set the USB hearing in the NorthWestern Energy docket to Tuesday, October 4, 2005 at 1:30 p.m. and the post hearing work session to Thursday, October 13, 2005. Commissioner Raney seconded the motion, which passed unanimously.

(324) In the matter of the Commission's discussion of NorthWestern Energy 2005 gas tracker motion for Protective Order- D2005.5.87:

Commissioner Mood moved that we grant NorthWestern Energy's motion for Protective Order where they have clearly demonstrated that it is statutorily allowed to be protected but to deny the definition of who can and cannot have access to the information. Commissioner Mood withdrew his motion.

Commissioner Mood made a substitute motion that the information identified by NorthWestern Energy in its motion for Protective Order is trade secret. The Public Service Commission denies NorthWestern Energy's motion insofar as the motion is based on confidential business information and market participant representative theories. Commissioner Raney seconded the motion, which passed unanimously.

(325) In the matter of the Commission's discussion of NorthWestern Energy natural gas procurement- N2005.6.101:

Commissioner Raney moved to grant MCC's motion to amend the procedural schedule in Docket No. N2005.6.101. Commissioner Mood seconded the motion, which passed unanimously.

APPEARANCE Kim Moran, Utility Division Martin Jacobson, Legal Division

(326) In the matter of the Commission's discussion of Energy West Montana general rate case-D2004.3.46:

Commissioner Jergeson moved that staff accept and approve the Rate Design Stipulation as to all of its terms and conditions and the Commission concurrent with the Rate Design Stipulation, accept and approve Energy West Montana's compliance tariffs as filed. Commissioner Mood seconded the motion, which passed unanimously.

APPEARANCE Leroy Beeby Utility Division

(327) In the matter of the Commission's discussion of Cut Bank Gas rate case, interim-D2005.8.119:

Commissioner Raney moved to deny CBG's motion without prejudice and require CBG to file its rate case in accordance with the minimum filing standards that are required when requests are in excess of \$100,000 and after the conclusion of the present rate case before the Commission. Commissioner Mood seconded the motion, which passed 4-0. The vote was left open for Commissioner Molnar.

APPEARANCE Martin Jacobson Legal Division

(328) In the matter of the Commission's discussion of Mountain Water general rates, tracker-Docket No. D2004.9.145 and D2005.4.49:

Commissioner Mood moved to grant Mountain Water's motion for a Protective Order regarding information on Park Water Company, dba Mountain Water, tax returns and salaries, and grant the motion to compel on the City of Missoula's request for salary information subject to the Protective Order. Commissioner Raney seconded the motion, which passed unanimously.

| There | being no | further | business to | come | before th | ne Co | ommission | the | meeting | was adio | urned. |
|-------|----------|---------|-------------|------|-----------|-------|-----------|-----|---------|----------|--------|
| | | | | | | | | | | | |

GREG JERGESON, Chairman

BRAD MOLNAR, Vice Chairman

DOUG MOOD, Commissioner

ROBERT H. RANEY, Commissioner

THOMAS J. SCHNEIDER, Commissioner

ATTEST:

Connie Jones Commission Secretary

(SEAL)